

204 Oleander Rd.
Carrboro, NC 27510
December 22, 2009

Mayor Mark Kleinschmidt
Office of Mayor
405 Martin Luther King Jr. Blvd.
Chapel Hill, NC 27514

Dear Mayor Kleinschmidt:

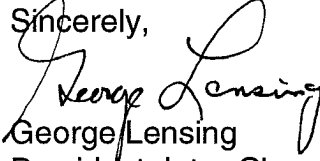
Congratulations on your election as mayor of Chapel Hill!

I'm attaching the copy of a letter I sent last October to the Chapel Hill Town Council members and the Mayor Foy. As you can see, the Inter-Church Council Housing Corporation is about to begin renovations of 79 units of affordable housing at Elliott Woods and Chase Park in Chapel Hill. We expect our costs to run to about \$2.5 million.

When Simon Vincent, Dave Owens and I met with Mayor Foy early in October—and we later met with Loryn Clark of the Planning Dept.—we were led to believe that we might make ourselves available to apply for the town's Affordable Housing Fund. My letter of October 28, as you can see, was requesting that that eligibility be extended beyond private homes to apartments such as ours. I have had no response to my request from former Mayor Foy nor from any individual of the Town Council. So I am writing you to see if we can move forward on our request. If our request is allowed, we'd like to make formal application for some funds in February, 2010, now fast approaching.

Would you please look this over and let me know what you think?

On behalf of all our residents and our Board of Directors, I'm very grateful to you for any help you can give us.

Sincerely,

George Lensing
President, Inter-Church Council
Housing Corporation

C O P Y

204 Oleander Rd.
Carrboro, NC 27510
October 28, 2009

Town Council
Town of Chapel Hill
405 Martin Luther King Jr. Blvd.
Chapel Hill, NC 27514

Dear Members of Chapel Hill Town Council:

I am the president of the Interchurch Council Housing Corporation. We are owners of 79 affordable-rent apartments at two locations: Elliott Woods (located off Elliott Rd. behind the Church of Reconciliation) and Chase Park (located on the Hwy. 54 By-Pass adjacent to the Laurel Ridge Apartments). Both locations are within the town of Chapel Hill. These one, two, three and four-bedroom apartments were built in the early 1970s by a Section 236 loan from the Department of Housing and Urban Development, and we have been renting the apartments and paying that mortgage for more than 35 years. The rent for about half of our residents is partially subsidized by Section 8 grants. The majority of our residents are single-parent mothers, many with small children. These are our current rent figures: one bedroom: \$378; two bedrooms: \$415; three bedrooms: \$449; four bedrooms: \$471.

In planning now to undergo renovations to these apartments, we want to ask you to consider making our apartments eligible for allotments from the Affordable Housing Fund. It is available now, I believe, only for private homes but not rental projects such as ours.

For several months the Board of Directors for these apartments has been discussing the need to begin such renovations (rehab) of the aging apartments. We find that our budget is now absorbed with increasing costs of repair and replacements as these apartments have aged. As a result, we have hired an architect and contractor, and we are currently working toward an estimate of the costs we anticipate. We will seek refinancing from HUD. We anticipate that these costs will exceed \$2,500,000.00, though an exact amount is still to be determined. I will just mention that we anticipate extensive roof-restructuring, new windows and doors, central heating and air-conditioning, and replacement of fixtures, cabinets, etc. Provision for handicapped residents will have to be provided. It is our intention to undertake all these renovations to comply with Energy Star standards: we are committed to providing energy efficient and environmentally friendly alterations. We anticipate added costs for our occupants having to vacate, move out of and then return to their apartments for the rehab period.

Elliott Woods and Chase Park are making an important contribution to the town's goals of providing a full range of affordable housing within the town and at convenient locations. Going beyond public housing, our units provide the lowest range of rents as another kind of option.

Board members Simon Vincent, Dave Owens, and I met on October 23 with Mayor Foy to explore ways in which we might qualify for some grant assistance. We followed that up with a meeting with Loryn Clark of the Planning Department. Both spoke about an Affordable Housing Fund, with the possibility that we could make an application for some financial assistance. We are most eager to maintain our low rents in the face of a much larger mortgage to pay off, and so all grants and stimulus monies are of great interest to us. Both Mayor Foy and Ms. Clark spoke about the Affordable Housing Fund. However, Ms. Clark informed us that this Fund is

available for private homes but not for rental projects. Responding to that information, we are now asking you to consider making assistance to us also available.

I realize that the information provided here is minimal. Members of the Inter-Church Council Housing Corporation are available to discuss in greater detail the kind of affordable housing that we offer and very much want to continue to offer. We can meet with you individually or at a meeting of the Town Council. As a first step, we are presenting this letter, seeking eligibility for the Affordable Housing Fund.

On behalf of the Board and our residents, thank you very much for your attention.

Sincerely,

George S. Lensing
President, Inter-Church Council Housing
Corporation

Board of Directors, Inter-Church Council Housing Corp.:

George Lensing, president
Dave Owens, vice-president
Kim O'Neill, treasurer
Wendy Adams
Brian Coble
Sue Donaldson
Gene Johnson
Barbara Pipkin
Bo Root
Nona Street
Simon Vincent